

IC 27-15

ARTICLE 15. DEMUTUALIZATION OF MUTUAL INSURANCE COMPANIES

IC 27-15-1

Chapter 1. General Provisions and Definitions

IC 27-15-1-1

Short title

Sec. 1. This article may be referred to as the Indiana demutualization law.

As added by P.L.94-1999, SEC.3.

IC 27-15-1-2

Conversion generally

Sec. 2. (a) Any domestic mutual insurance company that:

(1) maintains its executive offices in Indiana; and

(2) employs at least five hundred (500) persons or a substantial percentage of its workforce in Indiana;

may, by amendment to its articles of incorporation, convert to a stock insurance company by means of a plan of conversion described in IC 27-15-2-2 or a simple plan of conversion described in IC 27-15-2-3 and IC 27-1-8.

(b) The commissioner shall determine whether a mutual insurance company meets the requirements of subsection (a)(2).

As added by P.L.94-1999, SEC.3. Amended by P.L.14-2000, SEC.61.

IC 27-15-1-3

Applicability of definitions

Sec. 3. The definitions set forth in this chapter and IC 27-1-2-3 apply throughout this article.

As added by P.L.94-1999, SEC.3.

IC 27-15-1-4

"Closed block"

Sec. 4. "Closed block" means an allocation of assets for a defined group of in force policies which, together with the premiums of those policies and related investment earnings, are expected to be sufficient to maintain the payments of guaranteed benefits, certain expenses, and continuation of the current dividend scale on the closed block, if experience does not change.

As added by P.L.94-1999, SEC.3.

IC 27-15-1-5

"Company action level RBC"

Sec. 5. "Company action level RBC" has the meaning set forth in IC 27-1-36-6.

As added by P.L.94-1999, SEC.3.

IC 27-15-1-6

"Converting mutual"

Sec. 6. "Converting mutual" means a domestic mutual insurance company that has adopted a plan of conversion and an amendment to its articles of incorporation under this article that will, upon consummation, result in the domestic mutual insurance company converting into a domestic stock insurance company.

As added by P.L.94-1999, SEC.3.

IC 27-15-1-7**"Eligible member"**

Sec. 7. "Eligible member" means a person who:

- (1) is a member of the converting mutual on the date the converting mutual's board of directors adopts a resolution proposing a plan of conversion and an amendment to the articles of incorporation; and
- (2) continues to be a member of the converting mutual on the effective date of the conversion.

As added by P.L.94-1999, SEC.3.

IC 27-15-1-8**"Former mutual"**

Sec. 8. "Former mutual" means the domestic stock insurance company resulting from the conversion of a converting mutual to a stock insurance company under a plan of conversion and an amendment to its articles of incorporation under this article.

As added by P.L.94-1999, SEC.3.

IC 27-15-1-9**"Member"**

Sec. 9. "Member" means a person that, according to the:

- (1) records;
- (2) articles of incorporation; and
- (3) bylaws;

of a converting mutual, is a member of the converting mutual.

As added by P.L.94-1999, SEC.3.

IC 27-15-1-10**"Membership interests"**

Sec. 10. "Membership interests" means:

- (1) the voting rights of members of a domestic mutual insurance company as provided by law and by the company's articles of incorporation and bylaws; and
- (2) the rights of members of a domestic mutual insurance company to receive cash, stock, or other consideration in the event of a conversion to a stock insurance company under this article or a dissolution under IC 27-1-10, as provided by those laws and by the company's articles of incorporation and bylaws.

As added by P.L.94-1999, SEC.3.

IC 27-15-1-11

"Parent company"

Sec. 11. "Parent company" means a corporation that, upon the effective date of a conversion, owns all of the stock of the former mutual.

As added by P.L.94-1999, SEC.3.

IC 27-15-1-12

"Plan of conversion"

Sec. 12. "Plan of conversion" means the plan of conversion described in either IC 27-15-2-2 or IC 27-15-2-3.

As added by P.L.94-1999, SEC.3.

IC 27-15-1-13

"RBC level"

Sec. 13. "RBC level" has the meaning set forth in IC 27-1-36-18.

As added by P.L.94-1999, SEC.3.

IC 27-15-1-14

"Simple plan of conversion"

Sec. 14. "Simple plan of conversion" means the plan of conversion described in IC 27-15-2-3.

As added by P.L.94-1999, SEC.3.